



# A Way Out of Latin America's Impasse over Venezuela

---

**Crisis Group Latin America Briefing N°38**

Caracas/Bogotá/Brussels, 15 May 2019

---

**What's new?** Venezuela's political and economic crisis has split Latin America, debilitated its regional organisations and spurred a mass exodus that is overwhelming under-resourced public services in Colombia and elsewhere. The failed 30 April uprising in Caracas and the humanitarian effects of U.S. sanctions underline the urgency of a negotiated settlement.

**Why does it matter?** Deadlock in Caracas, deep political polarisation within and among Latin American states, and growing tensions among powers such as the U.S., Russia and China raise the real danger of worsening unrest in Venezuela, cross-border instability and military escalation.

**What should be done?** Latin American states close to Venezuela's two sparring camps should join forces with the EU's International Contact Group and others to push for a negotiated transition, enabling pragmatic Venezuelans to transcend the impasse, form a cross-party government and pave the way to fresh elections.

## I. Overview

---

Few issues are more contentious in today's Latin America than Venezuela and its multifaceted crisis, marked on 30 April by a sudden and short-lived uprising. On one side are governments supportive of *chavismo*, the movement established by Venezuela's late president, Hugo Chávez, that has run the country for the past twenty years; on the other are the majority of states, which regard Chávez's successor Nicolás Maduro as a dictator who is destabilising the region. The stark polarisation has already caused havoc in Latin America's regional cooperation institutions. One of them, the Union of South American Nations (UNASUR), is effectively dead after a decade of existence. Another, the Organization of American States (OAS), is deeply fractured.

Possibly the most active regional forum is now the Lima Group of fourteen countries (including Canada), created in August 2017 with the purported aim of restoring Venezuelan democracy. The Lima Group recognises opposition leader and National Assembly chair Juan Guaidó as Venezuela's interim president. Many of its members expressed support for the opposition leadership's bid, backed by a handful of soldiers, to restore "constitutional order" in the April uprising. Meanwhile, the Latin American countries that continue to support Maduro – Bolivia, Cuba and Nicaragua – find themselves increasingly on the receiving end of threatening rhetoric from U.S. offi-

cial and eager for support from major extra-regional powers Russia and China. The Venezuelan embassies lying empty in certain countries of the Americas illustrate the diplomatic no man's land between these two sides: most countries have ejected Maduro's diplomats and welcomed Guaidó's emissaries, but the latter have neither money nor any real authority.

Divisions on Venezuela also run deep within countries. From the moment he took power in 1999, Chávez has split Latin American public opinion in two, and Maduro has only widened the fissure. Election after election across the region has been coloured by polemics over how close leftist candidates are to Chávez and Maduro. The alignment between the current Venezuelan opposition leadership and the Trump administration, with its anachronistic bombast about rolling back socialism and invoking the Monroe Doctrine, has only sharpened the polarisation, allowing much of the left to paint the conflict as an effort to resist an imperialist U.S., of which Guaidó is branded as a mere puppet.

As Venezuela's economic turmoil and political crackdown worsen, their impact on the domestic concerns of other Latin American countries has grown more complex. Well over three million people have fled the country, with most of them relocating within the region, above all in Colombia, Peru and Ecuador. Elsewhere, although absolute numbers are much smaller, the scale of the exodus relative to the size of local populations is sometimes even greater. The Venezuelans' presence has put a burden on inadequate and under-resourced public services, generating increasing xenophobia that has been exploited by local politicians and alarmed national governments, spurred tighter border controls and led to violent flare-ups, such as those in the north-eastern Brazilian state of Roraima in August 2018 and the Ecuadorean city of Ibarra in January this year.

As we show below, each country has its own ideological, diplomatic and domestic motives for its positions toward Maduro and Guaidó. States on the front line of Venezuela's humanitarian emergency – the Andean countries, Brazil and Panama – wish for an urgent change of government in Caracas, but they fear the effects upon their territories of deepening instability or any outside military intervention of the kind increasingly suggested by Washington. Political leaders in other countries line up on two sides, some backing Guaidó and others Maduro, and appear inflexible: little but a government overhaul in these countries is likely to change the anti-Maduro stance of Paraguay and Honduras, on the one hand, or the pro-Maduro stance of Bolivia and Nicaragua, on the other. A few governments, however, have sought to occupy the middle ground, even daring to attempt to broker talks aiming at a peaceful settlement of the crisis. Mexico and Uruguay stand out in this regard, with the latter forming part of the EU-backed International Contact Group that seeks a negotiated solution in Venezuela so long as it results in fresh, internationally monitored elections.

With the region divided, its institutions for diplomatic coordination and collective crisis response in disarray, its internal politics at polarised extremes, and public services in a number of countries stretched by a mass migrant outflow, Latin America's wherewithal for managing the Venezuela crisis now appears limited. Maduro's diehard enemies and allies often appear entrenched in their opinions. But the front-line states most affected by the spillover from Venezuela have a considerable stake in preventing the crisis from worsening, while those trying to mediate the political conflict enjoy the Maduro government's trust to a greater or lesser degree. The weight

of Latin American support for a peaceful, negotiated settlement will depend to a large extent on whether some from within these two groups of states can join forces in seeking a credible peace process in Venezuela. Only one Lima Group country, Costa Rica, is currently a member of the International Contact Group. But the Lima Group's announcement on 3 May that it is seeking an urgent meeting with the Contact Group suggests that others are considering joining or backing this initiative. Broader Latin American support for this or another comparable mediation effort is essential to increase pressure on all sides in Venezuela for negotiations that will avoid violent conflict, restore representative, inclusive politics and pave the way for credible elections.

---

## II. Mexico

---

More than a foreign policy concern, Venezuela has become a symbolic battleground for a deeply polarised Mexican public. President Andrés Manuel López Obrador has refused to recognise Juan Guaidó as Venezuela's interim president, invoking his country's traditional foreign policy doctrine of avoiding interference in other countries' internal disputes.<sup>1</sup> But to his opponents – whom the president and his fans have branded *fifis*, or snobs – he has merely unveiled his true face as an ideological bed-fellow of *chavismo*. His followers – whom the *fifis* call *chairros*, roughly meaning mindless lefties – praise Mexico's distance from the policies of its northern neighbour and point to the disasters provoked by past U.S. interventions in the region. Following the 30 April attempt to oust Maduro, López Obrador reiterated his neutral stance, declaring that “we do not intervene because respect for the rights of others is peace”. He also called for dialogue and respect for human rights, while the foreign ministry expressed concern that violence might intensify.<sup>2</sup>

Amid all the fuss, the fact that the Mexican foreign minister tried to support a negotiated solution by offering his country as a mediator, suggesting an unconditional dialogue between the Venezuelan government and opposition under the title of the “Montevideo mechanism”, has tended to be ignored or belittled. The offer collided with both the opposition's adamant rejection of any talks without major concessions from a government it does not recognise and Guaidó's insistence that Maduro quit immediately. And it encountered the hostility of most of the region's governments, wary of repeating three past episodes of largely fruitless “dialogue”.<sup>3</sup> That said, Mexican diplomats have been active behind the scenes, pressing top *chavista* officials to make good-faith gestures, such as freeing political prisoners and restoring the National Assembly's rights, and to avoid further inflaming the situation by arresting Guaidó.<sup>4</sup> It is crucial that these efforts by a government still on amicable terms with Maduro continue.

---

<sup>1</sup> “Qué es la doctrina Estrada, la vieja práctica diplomática de México que guiará la política exterior de AMLO y cómo afectará a Venezuela y a Guaidó”, BBC Mundo, 24 January 2019.

<sup>2</sup> “López Obrador habló del levantamiento popular en Venezuela: ‘Deseamos que haya diálogo’”, Infobae, 30 April 2019.

<sup>3</sup> “Almagro y expresidentes piden a México ‘repensar’ su neutralidad sobre Venezuela”, *El Universal*, 27 February 2019.

<sup>4</sup> Crisis Group interview, Mexican diplomat, Caracas, 10 April 2019. See also “México llama al diálogo y a la diplomacia por conflicto en Venezuela”, *El Sol de México*, 2 May 2019.

Mexicans are nevertheless sure to see any intensification of the Venezuelan conflict through the lens of their own country's ideological battles. For now, the domestic stage – Mexico's own deepening security crisis – is likely to overshadow what's happening abroad. Where foreign policy issues poke through, they will be those closest to home and to core Mexican interests: the U.S. and Central America.

### III. Colombia

---

Colombia hosts more Venezuelans than any country in the region – 1.2 million, followed by Peru and Ecuador, with 506,000 and 221,000 respectively.<sup>5</sup> Its right-wing government, led by President Iván Duque, has promoted since last year a “diplomatic blockade” against the Venezuelan government, recalled its diplomats from Caracas, pushed the International Criminal Court to investigate Maduro and his circle, backed Washington's sanctions and embraced Guaidó as the legitimate president.<sup>6</sup> Its capital city, Bogotá, has become a nerve centre for the Venezuelan opposition in exile. In response to the events of 30 April, Duque called on the Venezuelan military to “place themselves on the right side of history” by “rejecting dictatorship and Maduro's usurpation”.<sup>7</sup>

Domestically, Duque's tough line against Venezuela has gained him political capital and a boost in opinion polls.<sup>8</sup> If Maduro stays in power for some time to come, however, that support may evaporate. Colombia has proved exceptionally welcoming to Venezuelans, who are in principle eligible for two-year residency without even needing a valid passport. But sanctions are sure to deepen Venezuela's economic misery, accelerate the exodus of people and intensify pressure on Colombian health, social and educational services. Meanwhile, no consular service is now available for Venezuelans in Bogotá after the government ordered Maduro's personnel to leave, while Guaidó's chosen replacement lacks the resources to run operations.<sup>9</sup>

Backing Guaidó and the U.S. campaign, including tough sanctions, has had its costs. Attempts to force humanitarian aid into Venezuela on 23 February ended in pitched battles on two border bridges, led to the closure of the most important land crossings, and forced Venezuelans seeking to come to Colombia to use the informal paths, or *trochas*, that traverse parts of the 2,200km frontier between the nations.<sup>10</sup>

---

<sup>5</sup> “Los flujos de venezolanos continúan constantes, alcanzando ahora la cifra de 3,4 millones”, UNHCR, 22 February 2019. See also “Total de Venezolanos en Colombia: Corte 31 Marzo 2019”, Migración Colombia, n.d.

<sup>6</sup> On the “diplomatic blockade”, see “El cerco diplomático está por encima de cualquier discurso belicista: Presidente Duque”, Presidencia de Colombia, 26 February 2019. On the recall of diplomats, see “Duque confirma que no enviará embajador a Venezuela”, RCN Radio, 7 December 2018. On the call for an ICC investigation, see tweet by Iván Duque, @IvanDuque, president of Colombia, 7:26 pm, 17 November 2017. On the embrace of Guaidó, see “Duque reconoce a Guaidó como presidente encargado de Venezuela”, *El Tiempo*, 23 January 2019.

<sup>7</sup> Tweet by Iván Duque, @IvanDuque, president of Colombia, 7:00 am, 30 April 2019.

<sup>8</sup> “Gallup Poll Colombia #129”, Gallup, March 2019, p. 34.

<sup>9</sup> Crisis Group interview, Venezuelan diplomat, Bogotá, 8 April 2019.

<sup>10</sup> “Inside The Violent Battle On The Venezuela-Colombia Border”, *Vice News*, 25 February 2019.

All this has jangled nerves along an already tense border plagued by armed actors of various kinds, while failing to dislodge Maduro from power.

Meanwhile, Colombia has publicly accused Venezuela of supporting National Liberation Army (ELN) guerrillas, who have been waging an insurgency against Bogotá since the 1960s.<sup>11</sup> The guerrillas are suspected of mounting or planning several attacks against Colombian authorities from Venezuelan border zones; in particular, the ELN carried out an attack against the army in Arauca province allegedly from across the border on 26 March.<sup>12</sup> The Colombian government has also asserted that the guerrilla leaders who planned the January 23 car-bombing in Bogotá, which killed 22 police cadets and injured 67 more, were based in Venezuela.<sup>13</sup> The ELN says it is committed to the defence of the Venezuelan “revolution”, and the Maduro government at least tolerates its rapidly growing presence.<sup>14</sup> Some in the Colombian security establishment have advocated striking the guerrillas inside Venezuela after talks with the ELN ended in January following the car bomb attack in Bogotá.<sup>15</sup> But the risks of an escalation in bilateral hostilities from an ill-considered cross-border incursion are extremely high, as is the danger that any offensive would push the ELN further into the arms of the Venezuelan state or ignite an international war.

The Duque government has made it clear that it would not support any form of foreign military intervention in Venezuela.<sup>16</sup> Instead, Colombia remains focused on the isolation and suffocation of the Maduro regime in the hope it will collapse. Should months pass without that outcome, Bogotá may find it has pressing domestic security reasons to shift its position toward the cause of a negotiated settlement. At the same time, voices within government and the armed forces may well clamour for a military intervention should the U.S. embrace that approach.

#### **IV. Central America**

---

For the most part, Central American government positions toward Venezuela are driven more by ideology and the weight of geopolitical alliances than by the direct effects of the country's crisis. The exception is Panama, which hosts some 70,000 Venezuelans according to the latest UNHCR figures.<sup>17</sup>

El Salvador is in the midst of transition. The outgoing government, led by President Salvador Sánchez Cerén from the left-wing Farabundo Martí National Liberation Front (FMLN) party, has been supportive of Maduro. By contrast, President-elect Nayib Bukele, a former FMLN figurehead who has since left the party and portrayed himself as a political outsider, has already branded the Venezuelan president

---

<sup>11</sup> “Maduro ha sido un promotor, financiador y auspiciador del Eln’: Duque”, *El Colombiano*, 10 May 2019.

<sup>12</sup> “Colombia condenó ataque a militares realizado desde Venezuela”, *El Nacional*, 28 March 2019.

<sup>13</sup> “Alias ‘Pablito’ responsable del atentado en Bogotá está en Venezuela”, Caracol Radio, 25 January 2019.

<sup>14</sup> “GUERRA REVOLUCIONARIA, PODER POPULAR Y NUEVA NACIÓN”, ELN internal document, 2014, p. 9.

<sup>15</sup> Crisis Group interview, security expert, Bogotá, 31 January 2019.

<sup>16</sup> “Canciller Trujillo explica por qué Colombia no apoyará intervención Militar en Venezuela”, W Radio, 25 February 2019.

<sup>17</sup> For more on Venezuelan migrants and asylum seekers, visit the dedicated UNHCR website.

a dictator.<sup>18</sup> Honduras, Guatemala and Costa Rica, for their part, are all members of the Lima Group and have recognised Guaidó as interim president. Honduras was an ally of Venezuela until a 2009 coup ousted President Manuel Zelaya, whose close ties with Chávez had aroused fears among conservative Honduran elites. The memory of Maduro – then Venezuelan foreign minister – personally accompanying Zelaya in his attempt to re-enter the country remains vivid. Current Honduran President Juan Orlando Hernández and Guatemalan President Jimmy Morales have aligned their foreign policy with Washington's, while ruling out, along with other Lima Group members, any military intervention.<sup>19</sup>

On the other side of the spectrum stands Nicaragua, after Cuba the staunchest Venezuelan ally in the region, with a government that knows its own fate is tied to Maduro's. In a rare recent international appearance, President Daniel Ortega was among the few foreign dignitaries to take part in Maduro's contested swearing-in in January this year. Venezuela has provided the Ortega government with some \$5 billion in aid over the past ten years, though the oil-funded largesse has since contracted to nearly zero. Short of cash, the Nicaraguan government moved to hike social security taxes and lower pensions in April 2018 – a decision that triggered street protests and led to a full-fledged popular revolt.<sup>20</sup> Recent U.S. sanctions against the Venezuelan state oil corporation *Petróleos de Venezuela, S.A. (PDVSA)* have also affected *Albanisa*, a Nicaraguan joint venture in which PDVSA is the major shareholder. With leading U.S. officials regularly insisting that Ortega could be next in their campaign to roll back socialism in the Americas, the Nicaraguan leader sought to de-escalate tensions by resuming talks with his opposition in early March.<sup>21</sup> Though these talks have faltered, Ortega has at least agreed in principle to free political prisoners and respect basic civic and political rights. His government celebrated the failure of the 30 April uprising, with Ortega insisting the Venezuelan people “neither surrenders nor sells itself off”.<sup>22</sup>

---

<sup>18</sup> “El Salvador traslada su ‘total apoyo’ a Maduro y llama al diálogo para resolver la crisis en Venezuela”, *Europa Press*, 24 January 2019; “La toma de posesión de Bukele confirma la ruptura de El Salvador con Maduro y Ortega”, *Al Navío*, 10 April 2019.

<sup>19</sup> “Honduran Politics and the Chavez Factor”, Council on Foreign Relations, 30 October 2009; “Honduras se compromete a ‘recuperar la paz en Venezuela’”, *Criterio.hn*, 7 May 2019; “Regional powers recognise Maduro opponent as interim president”, *Al Jazeera*, 23 January 2019.

<sup>20</sup> Crisis Group calculations from “Informe de cooperación oficial externa”, Nicaragua Central Bank report, October 2018, p. 15; “Informe de cooperación oficial externa”, Nicaragua Central Bank report, April 2016. For more on the crisis, see Crisis Group Latin America Report N°72, *A Road to Dialogue After Nicaragua's Crushed Uprising*, 19 December 2018.

<sup>21</sup> Crisis Group interview, Nicaraguan political scientist, Managua, 5 April 2019. For more on the reasons behind the resumption of the national dialogue, see Tiziano Breda, “A Thaw or a Trap? Nicaragua's Surprise Return to Dialogue”, Crisis Group Commentary, 6 March 2019.

<sup>22</sup> “Ortega asegura que la conciencia del pueblo de Venezuela ha logrado derrotar el intento de ‘golpe de Estado’”, *Europa Press*, 30 April 2019.

## V. Brazil

---

Brazil is home to an estimated 96,000 Venezuelans, with numbers projected to rise to 190,000 by the end of 2019, according to the International Organization for Migration (IOM).<sup>23</sup> The Brazilian government has responded with aid programs and a voluntary resettlement plan to spread migrants and refugees across the country. But the influx has generated palpable tensions. In Roraima, the north-eastern state that is the main port of entry for Venezuelans heading south, the perceived burden on the state's already limited services has spurred xenophobic attacks and calls for closing the border, including by current governor Antonio Denarium in his election campaign last year.<sup>24</sup> Paradoxically, however, Venezuela's closure of the border with Brazil on 21 February, in response to opposition plans to force through humanitarian aid, has hurt Roraima's economy, which relies heavily on Venezuelan gasoline, electricity and fertiliser. Days after the closure, Denarium met with *chavista* officials to discuss ways to reopen the crossing as quickly as possible.<sup>25</sup> The border was eventually reopened on 10 May.

Dealing with Venezuela has also become a bone of contention between the sparring factions of President Jair Bolsonaro's right-wing government. For ideologues such as Foreign Minister Ernesto Araújo, a tough stance backing regime change in Venezuela reaffirms three of Bolsonaro's core campaign promises: staunch anti-socialism; a rollback of the Workers' Party legacy (the former president, Lula da Silva, was extremely close to Chávez); and alignment with the U.S. On 30 April, Bolsonaro tweeted his "solidarity with the suffering people of Venezuela, enslaved by a dictator".<sup>26</sup>

At odds with this faction are the military establishment and liberal economists in Bolsonaro's cabinet. Both appear more cautious, prioritising peace and stability along Brazil's ten borders with other Latin American nations, keeping the country out of armed conflict and reassuring China. Indeed, while China is Brazil's largest commercial partner, it also has invested heavily in Venezuela, which is in arrears on an estimated \$20 billion in Chinese loans.<sup>27</sup> Pragmatic economists, including Economy Minister Paulo Guedes, might well argue against action toward Venezuela that threatens Chinese interests in the country and might jeopardise Brazil's own bilateral relations with Beijing.

The economists' cautious stance is likely to be supported by military figures, who have taken an equally reticent approach toward any escalation in hostilities with Venezuela. At a Lima Group meeting in February Vice President Hamilton Mourão, a retired general, flatly ruled out Brazilian participation in any military action against Maduro, while Brazil's armed forces keep communication channels open with their Venezuelan counterparts – a way of gauging sentiment among those who could well

---

<sup>23</sup> "Regional Refugee and Migrant Response Plan for Refugees and Migrants from Venezuela", International Organization for Migration, December 2018.

<sup>24</sup> "Fusil y xenofobia contra Venezuela: Antonio Denarium, nuevo gobernador de Roraima, promete endurecer la política fronteriza Brasileña", *El Ciudadano*, 1 November 2018.

<sup>25</sup> "Governador de Roraima pede a aliado de Maduro a reabertura da fronteira", G1, 27 February 2019; "Brazil's Roraima state fears Venezuela supply problems", *BNamericas*, 22 February 2019.

<sup>26</sup> Tweet by Jair Bolsonaro, @jairbolsonaro, president of Brazil, 8:04 am, 30 April 2019.

<sup>27</sup> "China counts the costs of its big bet on Venezuela", *Wall Street Journal*, 1 February 2019; "How China has become Brazil's outright biggest trading partner", *The Brazilian Report*, 4 April 2019.

be the most important actors in any negotiated transition.<sup>28</sup> Should the Brazilian government steer clear of closely aligning itself with the U.S. on Venezuela, it could eventually play a significant role in regional efforts to resolve the crisis.

## VI. The Southern Cone

---

Centre-right politicians, for whom *chavismo* exemplifies the flaws of what they label corrupt, inept and authoritarian left-wing rule, govern much of the southern cone. Despite their vocal opposition to Maduro, some of these countries nonetheless could be important actors in nudging Latin America in the direction of supporting a negotiated settlement in Venezuela.

Chilean President Sebastián Piñera, from the business-friendly right, is a fierce opponent of Maduro and, unlike his predecessor, the socialist Michelle Bachelet, has no need to placate domestic allies of *chavismo*. Piñera won office last year on a platform that included tightening the country's immigration system, which like others in the region was not designed to deal with mass migration. But although he initially enforced laws making it harder for Venezuelans to enter the country, he upheld a September 2018 regional agreement by extending for two years the validity of expired Venezuelan passports.<sup>29</sup> Meanwhile, Piñera's diplomats followed the precedent set by Bachelet's government in championing the Lima Group's campaign to restore democracy. They were also instrumental in persuading the bloc's majority to seek greater coordination with the EU's Contact Group. Foreign Minister Roberto Ampuero has said Chile wants to act as a "bridge" between the Lima Group and the Contact Group.<sup>30</sup> He has attended the latter's recent ministerial meetings. Chile's position after the events of 30 April was to insist that the "dictatorship" must come to an end only by constitutional means and in a peaceful way, implying a degree of criticism of the methods chosen by the Venezuelan opposition.<sup>31</sup>

Ahead of Argentina's general elections in October, President Mauricio Macri – currently suffering the highest disapproval rates of his tenure amid a losing battle with inflation, recession and spiralling debt – is likely to maintain firm support for Guaidó, especially in light of his potential campaign battle with his predecessor, Cristina Fernández de Kirchner, another of Chávez's former regional allies. Macri and his entourage have long cited Venezuela's misery as an example of what Argentina might have suffered had Fernández pursued her state interventionist economic policies any further (she left office in 2015).<sup>32</sup> Were Macri to lose, a Fernández government could well shift toward a position of support for unconditional negotiations or even align itself more squarely with Maduro.

---

<sup>28</sup> "Mourão descarta intervenção e diz que governo Maduro é 'criminoso'", *Folha de São Paulo*, 25 February 2019; "EUA pressionam Brasil a usar força militar em operação na Venezuela", *Folha de São Paulo*, 20 February 2019.

<sup>29</sup> "Chile extended the expiration of expired Venezuelan passports", *Newsbeezzer*, 16 April 2019.

<sup>30</sup> "Chile irá a reunião de grupo de contacto para buscar nexos con grupo de lima", EFE, 26 March 2019.

<sup>31</sup> Tweet by Sebastián Piñera, @sebastianpinera, president of Chile, 6:25 am, 30 April 2019.

<sup>32</sup> Daniel Gómez, "Macri dice que salvó a Argentina de convertirse en otra Venezuela", *Al Navío*, 3 September 2018.

No similar shift is expected in Paraguay, where the political establishment and business elites have been among *chavismo*'s most ardent opponents in Latin America. Paraguay long stood in the way of Venezuela's accession to the southern cone customs union Mercosur, which admitted it only after suspending Paraguay from the organisation in 2012, due to an alleged parliamentary coup against President Fernando Lugo. Paraguay's current President Mario Abdo Benítez severed diplomatic ties with Venezuela on 10 January, the day Maduro was sworn in for a new term.<sup>33</sup>

In contrast, Bolivia – long-time ally of *chavismo* and self-proclaimed advocate of anti-imperialism – has remained firm in its support for Maduro. President Evo Morales seemingly favours the open-ended dialogue between the Venezuelan government and opposition endorsed by the “Montevideo mechanism”, though Bolivian diplomats also attend meetings of the EU-backed effort to nurture conditions for future mediation in Venezuela, the International Contact Group. Morales' position may be influenced by his pursuit this year of a fourth term in office, in defiance of both constitutional term limits and a popular referendum that rejected his bid for reelection.<sup>34</sup> While the U.S. tends not to bracket Bolivia with Cuba, Nicaragua and Venezuela as a hemispheric foe, Morales arguably would not want to see successful regime change in Caracas sparked by popular protests because it might inspire his own opposition. Morales condemned the 30 April uprising, saying those behind it were “subordinated to foreign interests”.<sup>35</sup>

## VII. Uruguay

---

Although President Tabaré Vázquez's government has had close relations with *chavismo* (to the extent that the Uruguayan opposition has levelled corruption charges against it related to its economic ties with Caracas), Uruguay's left-leaning government has maintained a relatively nuanced stance toward Venezuela.<sup>36</sup> Choosing this course has given the small Latin American state unusual diplomatic prominence.

Uruguay was one of the few Latin American countries not to recognise Guaidó as interim president. On the same day that Guaidó asserted his claim, 23 January, Uruguay's Foreign Ministry released a statement calling for a de-escalation of tensions in Venezuela as well as “credible, inclusive” negotiations.<sup>37</sup> Then, on 6 February, along with Mexico, Uruguay helped establish the “Montevideo mechanism”, aimed at fostering unconditional dialogue between government and opposition. Maduro himself supported the initiative, but Guaidó and the U.S. insisted that it would merely reprise the futility of previous exercises and enable *chavismo* to perpetuate itself in power. A day later, Uruguay signed up to the EU-backed International Contact Group

---

<sup>33</sup> “Paraguay cuts diplomatic ties with Venezuela after Maduro sworn in”, Reuters, 10 January 2019; “Mercosur welcomes Venezuela, suspends Paraguay”, Reuters, 29 June 2012.

<sup>34</sup> Emily Achtenberg, “Tensions roil Bolivia as electoral court says Morales can run again”, NACLA Rebel Currents (blog), 27 December 2018.

<sup>35</sup> Tweet by Evo Morales, @evoespueblo, president of Bolivia, 4:08 am, 30 April 2019.

<sup>36</sup> “Claims of Uruguayan ruling coalition involvement in money laundering with Chavista regimes”, *Merco Press*, 10 January 2019.

<sup>37</sup> “México y Uruguay urgen a la sociedad venezolana a encontrar una solución pacífica a sus diferencias”, Comunicado de Prensa N°09/19, Ministry of Foreign Relations, Uruguay, 23 January 2019.

and declared its support for new elections, citing Venezuela's deepening crisis as the reason for its change of heart. Its involvement in the Montevideo mechanism is now reportedly minimal.<sup>38</sup> Even so, it still refuses to recognise the legitimacy of Guaidó's claim to the presidency, with Foreign Minister Rodolfo Nin Novoa stating that any "self-proclamation" as president is inadmissible.<sup>39</sup>

Former president José "Pepe" Mujica, who remains highly influential, admitted that Venezuela's turmoil had damaged Latin America's left. But he has remained faithful to Uruguay's balanced position, rejecting Guaidó's assumption of the interim presidency while arguing that a solution can come only through general elections with strong international monitoring and participation by all political forces.<sup>40</sup> Like Chile, Uruguay reacted to the events of 30 April by stressing its rejection of the "use of violence" to resolve conflicts.<sup>41</sup>

## VIII. Cuba

---

The Cuban government is Maduro's closest ally. The Venezuelan president belonged to a far-left, pro-Cuban party as a young man and received political training on the island. Cuba reportedly heavily influenced Chávez's choice of Maduro as his successor and played an influential role in Venezuelan foreign policy during Maduro's 2006-2013 stint as foreign minister. In turn, Venezuela and its regional allies played a crucial part in the 2009 move to end Cuba's suspension from the OAS and in incorporating its government into other regional forums.<sup>42</sup>

Close relations between the two countries are rooted in a mix of ideology and pragmatism. Since 2004, energy-poor Cuba has been receiving virtually free oil from Venezuela, nominally in exchange for the services of health professionals, sports instructors and others (though it has also received cash payments). The most significant Cuban presence, however, comes in the form of intelligence agents, who some U.S. officials allege number approximately 2,000 (although the total number of Cubans working in Venezuela as confirmed by Cuban government sources is 20,000, most of them medical workers).<sup>43</sup> According to Washington, the agents are a pillar of Maduro's staying power, notably by maintaining surveillance on the military and limiting the potential for a coup.<sup>44</sup> Cuban government companies and binational Cuban-Venezuelan corporations also control key strategic sectors, including the ports and civil registries. In 2007, Chávez signed a contract with Cuba's Albet Ingeniería y Sistemas, giving it responsibility for creating the country's new ID document, and

---

<sup>38</sup> Crisis Group interview, Uruguayan diplomat, Caracas, 9 May 2019.

<sup>39</sup> "Nin Novoa: Es 'inadmisible que en un país una persona se autoproclame presidente'", *El País* (Uruguay), 8 February 2019.

<sup>40</sup> "Mujica sobre la crisis en Venezuela: 'Si EE.UU. no tiene más remedio que intervenir, va a intervenir; el tema central es evitar la guerra'", BBC Mundo, 5 February 2019.

<sup>41</sup> "Situación en Venezuela", Comunicado de Prensa No. 47/19, Ministry of Foreign Relations, Uruguay, 30 April 2019.

<sup>42</sup> "Imposing conditions, O.A.S. lifts its suspension of Cuba", *The New York Times*, 3 June 2009.

<sup>43</sup> "No Cuban troops in Venezuela, Cuban diplomat tells AP", Associated Press, 1 May 2019.

<sup>44</sup> "How much influence does Cuba have over Venezuela?", Deutsche Welle, 9 March 2019.

with it access to Venezuelans' personal data.<sup>45</sup> It has often been suggested that Maduro might end up in Cuba if he were ousted, and after the 30 April attempt to remove him Washington claimed (without offering any evidence) that he had been ready to leave for Havana but was persuaded not to by the Russian government.<sup>46</sup> Moscow has denied this version of events.

Even amid Venezuela's economic crisis, the island continues to receive a reported 40,000 barrels per day or more of oil, the equivalent of up to a third of its daily consumption. While the Venezuelan opposition has sought to persuade Havana that a post-*chavista* government would ensure a continued supply of oil, the Cuban government is understandably sceptical that domestic Venezuelan economic constraints as well as anticipated U.S. diplomatic pressure would permit it to do so.<sup>47</sup> In any event, the Cuban government cannot afford to take chances given the volatility in Caracas and its own concerns that the ouster of a close ally that is also in Washington's crosshairs would set a dangerous precedent. In light of the U.S. administration's 17 April announcement of tightened economic sanctions against the country,<sup>48</sup> Havana appears to have ever fewer incentives to accede to, let alone promote a transition in Venezuela, as well as powerful incentives to keep Maduro in place. Interestingly, however, following the failed uprising Cuba for the first time offered to assist in promoting "dialogue" in Venezuela. The Lima Group said it would seek Cuban help, and even U.S. Secretary of State Mike Pompeo said in an interview that Washington was "working with Cuba" to resolve the Venezuela crisis.<sup>49</sup>

## **IX. CARICOM**

---

The CARICOM community, composed of fifteen Caribbean countries, has officially assumed an essentially middle-of-the-road stance in the Venezuelan crisis alongside Mexico, with most backing the Montevideo mechanism as the best means of solving it.<sup>50</sup> That said, not all countries in the bloc agree with the initiative, and divisions over Venezuela have widened. St. Lucia, Haiti, Jamaica and the Bahamas officially recognised Guaidó as president. A vote on whether to approve Guaidó's representative as the official Venezuelan ambassador to the OAS exposed the extent of this split in the Caribbean bloc: whereas these four countries voted in favour, five voted against, four abstained and one was absent.<sup>51</sup>

---

<sup>45</sup> Adriana Rivera, "Más de un millardo de dólares en planes de identidad con Cuba", *Transparencia Venezuela*, n.d.

<sup>46</sup> "Pompeo claims Russia stopped Maduro leaving Venezuela for Cuba", CNN, 1 May 2019.

<sup>47</sup> Crisis Group interview, European diplomat, Bogotá, 8 May 2019.

<sup>48</sup> "Trump administration announces measures Against Cuba, Venezuela And Nicaragua", NPR, 18 April 2019.

<sup>49</sup> "La declaración completa del Grupo de Lima sobre la crisis en Venezuela", CNN en Español, 3 May, 2019; "Can Cuba be part of the solution to the political crisis in Venezuela?", *Miami Herald*, 7 May 2019.

<sup>50</sup> "CARICOM Signs On to Mechanism of Montevideo Following Talks in Uruguay on Situation in Venezuela", CARICOM press release, 6 February 2019.

<sup>51</sup> "Caribbean countries protest appointment of new Venezuelan representative at OAS", Caribbean News Service, 24 April 2019.

An ongoing territorial claim by Venezuela against CARICOM member Guyana poses a further challenge to regional unity on the issue.<sup>52</sup> Guyana belongs to the Lima Group, although it has not recognised Guaidó. In an apparent bid to bring it fully on board, the Group endorsed Guyana's position on the territorial dispute in a January communiqué,<sup>53</sup> only for ten individual member governments subsequently to distance themselves from this stance.

Complicating matters further, the presidents of Jamaica, the Bahamas, Haiti, the Dominican Republic and St. Lucia, the last of whom is also CARICOM's incoming chair, met with President Trump on 22 March at the Mar-a-Lago resort to discuss possible energy-related projects as part of a strategy for countering Venezuela's influence in the Caribbean. The region has for years benefited from the Venezuelan government's generous oil and gas subsidies, through the energy alliance Petrocaribe. But these contributions have declined in step with Venezuela's economic disaster and collapsing oil production. The Trump administration is seeking to take advantage of Venezuela's weakening position in the Caribbean basin to rally support behind its position.<sup>54</sup>

CARICOM's foreign ministers spoke with Guaidó by video conference on 23 March as part of its search for "peaceful solutions" in Venezuela.<sup>55</sup> They also mooted plans to meet with Maduro's government, without setting a date. A delegation from the bloc attended the most recent Contact Group meeting in Costa Rica amid calls on both sides for greater cooperation. But for now, forging a unified stance toward the crisis among Caribbean nations appears remote.

---

## **X. A Possible Way Forward**

---

For most of the past century, political crises in Latin America and the Caribbean typically were resolved through military coups, often backed by the U.S. Politicians of all stripes, though most prominently on the left, routinely decried such interventionism. As the U.S. footprint has shrunk and coups largely gone out of fashion, the region's own mechanisms for dealing with breakdowns of governance and heightened political tensions have been put to the test. The Venezuelan crisis is perhaps their greatest challenge. The OAS has been paralysed in its attempts to deal with the crisis by partisan divisions among member states. OAS secretary general Luis Almagro, who can take credit for bringing the seriousness of the crisis to world attention, is a divisive figure who has gone so far as to advocate military intervention over member states' objections. Other regional bodies, such as UNASUR, created in a bid to consolidate the leftist wave of the early 2000s, predictably fell victim to the narrowness of their own vision, and the right's subsequent revival, before Venezuela's meltdown. The crisis has been UNASUR's coup de grace.

---

<sup>52</sup> "Why Venezuela is clashing with its old foe Exxon again", Bloomberg, 7 January 2019.

<sup>53</sup> Declaración del Grupo de Lima, Lima, Perú, 4 January 2019, in <https://id.presidencia.gov.co/Paginas/prensa/2019/190104-Declaracion-del-Grupo-de-Lima.aspx>

<sup>54</sup> "Caribbean leaders meet with Trump, say he promises renewed U.S. engagement in region", *Miami Herald*, 22 March 2019.

<sup>55</sup> "Meeting Between CARICOM Foreign Ministers Delegation and Mr. Juan Guaidó", CARICOM press release, 24 March 2018.

Rebuilding a viable inter-American system is an important, albeit long-term, task. The Venezuelan crisis cannot wait for its completion. The best option for dealing with Venezuela now would be for a core group of regional actors – some closer to Maduro, others to Guaidó – to join forces with the EU's International Contact Group and others to push for a negotiated transition, avoiding the twin pitfalls of siding with Maduro in the name of non-interventionism or following Washington's lead and framing the issue in Cold War terms as a fight against socialism. Achieving a consensual position among those key players would help provide space for pragmatic Venezuelans on both sides to try to overcome the impasse.

This approach will require pressing both the government and the opposition. The Maduro government can neither solve the economic crisis nor force its domestic opponents into indefinite submission; a transition including credible elections is a necessary step toward resolution. But nor can the opposition or its allies expect Maduro and his allies to surrender, notwithstanding the economic freefall over which they are presiding. True, oil sanctions will deepen the humanitarian crisis. But, as recent events have confirmed, there is no guarantee that condemning many Venezuelans to misery will trigger a successful military coup, internal regime putsch or popular takeover. Short of a dangerous and unwise military intervention, which itself could prompt chaos, the optimal way out of the crisis entails a transition negotiated by pragmatic forces on both sides, with the help of regional countries, and comprising key building blocks such as:

- ❑ An inclusive transitional government in which the current opposition, the *chavistas* and the military all play a role;
- ❑ An electoral authority with the impartiality and technical capacity to hold credible elections under international observation;
- ❑ Full restoration of the National Assembly's powers and dissolution of the Constituent Assembly;
- ❑ Respect for the armed forces' integrity, particularly that of the military high command, both during and after the transition.

In a communiqué following the 30 April attempt to oust Maduro, the Lima Group proposed a meeting with the International Contact Group, and the invitation was accepted. This initiative offers a fresh opportunity for convergence between the different international initiatives currently underway to bring peace to Venezuela. By more closely coordinating their efforts with the Contact Group, Latin American nations might play a useful role in nudging and pressuring the two sides to negotiate an end to this protracted and worsening crisis.

**Caracas/Bogotá/Brussels, 15 May 2019**

Appendix A: Map of Venezuela



---

**Appendix B: Reports and Briefings on Latin America since 2016**

---

**Special Reports and Briefings**

*Exploiting Disorder: al-Qaeda and the Islamic State*, Special Report N°1, 14 March 2016 (also available in Arabic and French).

*Seizing the Moment: From Early Warning to Early Action*, Special Report N°2, 22 June 2016.

*Counter-terrorism Pitfalls: What the U.S. Fight against ISIS and al-Qaeda Should Avoid*, Special Report N°3, 22 March 2017.

*Council of Despair? The Fragmentation of UN Diplomacy*, Special Briefing N°1, 30 April 2019.

---

*Crutch to Catalyst? The International Commission Against Impunity in Guatemala*, Latin America Report N°56, 29 January 2016 (also available in Spanish).

*Venezuela: Edge of the Precipice*, Latin America Briefing N°35, 23 June 2016 (also available in Spanish).

*Easy Prey: Criminal Violence and Central American Migration*, Latin America Report N°57, 28 July 2016 (also available in Spanish).

*Colombia's Final Steps to the End of War*, Latin America Report N°58, 7 September 2016 (also available in Spanish).

*Venezuela: Tough Talking*, Latin America Report N°59, 16 December 2016 (also available in Spanish).

*In the Shadow of "No": Peace after Colombia's Plebiscite*, Latin America Report N°60, 31 January 2017 (also available in Spanish).

*Veracruz: Fixing Mexico's State of Terror*, Latin America Report N°61, 28 February 2017 (also available in Spanish).

*Mafia of the Poor: Gang Violence and Extortion in Central America*, Latin America Report N°62, 6 April 2017 (also available in Spanish).

*Power without the People: Averting Venezuela's Breakdown*, Latin America Briefing N°36, 19 June 2017 (also available in Spanish).

*Colombia's Armed Groups Battle for the Spoils of Peace*, Latin America Report N°63, 19 October 2017 (also available in Spanish).

*Venezuela: Hunger by Default*, Latin America Briefing N°37, 23 November 2017 (also available in Spanish).

*El Salvador's Politics of Perpetual Violence*, Latin America Report N°64, 19 December 2017 (also available in Spanish).

*Containing the Shock Waves from Venezuela*, Latin America Report N°65, 21 March 2018 (also available in Spanish).

*Mexico's Southern Border: Security, Violence and Migration in the Trump Era*, Latin America Report N°66, 9 May 2018 (also available in Spanish).

*Risky Business: The Duque Government's Approach to Peace in Colombia*, Latin America Report N°67, 21 June 2018 (also available in Spanish).

*The Missing Peace: Colombia's New Government and Last Guerrillas*, Latin America Report N°68, 12 July 2018 (also available in Spanish).

*Building Peace in Mexico: Dilemmas Facing the López Obrador Government*, Latin America Report N°69, 11 October 2018 (also available in Spanish).

*Saving Guatemala's Fight Against Crime and Impunity*, Latin America Report N°70, 24 October 2018.

*Friendly Fire: Venezuela's Opposition Turmoil*, Latin America Report N°71, 23 November 2018 (also available in Spanish).

*A Road to Dialogue After Nicaragua's Crushed Uprising*, Latin America Report N°72, 19 December 2018 (also available in Spanish).

*Gold and Grief in Venezuela's Violent South*, Latin America Report N°73, 28 February 2019 (also available in Spanish).



International Crisis Group

**Headquarters**

Avenue Louise 149, 1050 Brussels, Belgium

Tel: +32 2 502 90 38. Fax: +32 2 502 50 38

[brussels@crisisgroup.org](mailto:brussels@crisisgroup.org)

**New York Office**

[newyork@crisisgroup.org](mailto:newyork@crisisgroup.org)

**Washington Office**

[washington@crisisgroup.org](mailto:washington@crisisgroup.org)

**London Office**

[london@crisisgroup.org](mailto:london@crisisgroup.org)

**Regional Offices and Field Representation**

Crisis Group also operates out of over 25 locations in Africa, Asia, Europe, the Middle East and Latin America.

**See [www.crisisgroup.org](http://www.crisisgroup.org) for details**

*PREVENTING WAR. SHAPING PEACE.*